Declassified in Part - Sanitized Copy Approved for Release 2014/01/15 : CIA-RDP79R01012A014700050017-8

BUREAU OF INTELLIGENCE AND RESEARCH

SECRET/ [ ] 1959 42 COPY NO. ____ STAT

Intelligence Report

No. 8093 August 26, 1959

CEB File
NATO Est.

4300130

BRITAIN AND THE WESTERN ALLIANCE

Acceleration of the trend toward development of an independent Continental bloc, particularly in the year since de Gaulle's accession to power in France, has posed basic threats to Britain's position as the No. 2 nation in the Alliance.* The burgeoning movement toward European economic and political integration, insistent French demands for a greater voice in Western decision-making, and growing Franco-German collaboration have challenged the United Kingdom's status as the leading power in European affairs.

The possibility that a Continental bloc may emerge has confronted British leaders with disturbing implications for future policy and with a limited range of alternatives -- joining the evolving "European" bloc, trying to break it up, continuing to remain aloof or even withdrawing into isolation, or seeking to maintain the alliance by relying on an even closer interdependent relationship with the US. To date, the UK has chosen to reaffirm its reliance on the strength and intimacy of the Anglo-American partnership, the resources of the Commonwealth, and the long and successful British experience in playing a relatively independent role in world affairs.

Review of this document by CIA has determined that
☒ CIA has no objection to declass
☐ It contains information of CIA interest that must remain classified at TS S C
Authority: HR 10-2
☐ It contains nothing of CIA interest
Reviewer 372044
Date 9-1-81

I. BRITAIN'S ATTITUDE TOWARD THE ALLIANCE

Recognizing that its security must be sought within the framework of collective defense, the United Kingdom has made the NATO alliance --

* See IR 8070, August 7, 1959, "A Critical Appraisal of Western Unity", and IR 8078, August 14, 1959, "France and the Western Alliance."

THIS IS AN INTELLIGENCE REPORT AND NOT A STATEMENT OF DEPARTMENTAL POLICY

Declassified in Part - Sanitized Copy Approved for Release 2014/01/15 : CIA-RDP79R01012A014700050017-8

Declassified in Part - Sanitized Copy Approved for Release 2014/01/15 : CIA-RDP79R01012A014700050017-8

and particularly its bond with the US within that alliance -- the keystone of its foreign policy. A British (Labor) government took a leading part in the formation of NATO, the alliance is backed by both sides of the House of Commons, and it enjoys broad popular support.

Yet despite its allegiance to NATO, Britain continues to regard itself as a world power comparable to the US and the Soviet Union, although it realizes that it does not have their super-power capabilities, with interests and responsibilities that transcend the limits of the alliance. The UK does not feel bound by the limitations of that alliance to the same extent as do some of its other members. Thus, Britain has asserted that its economic resources and worldwide defense commitments limit its ability to make the military contribution it was supposed to make to NATO. During 1957 and 1958, the UK made substantial reductions in the number of its forces stationed in Germany, and further cutbacks are reportedly under consideration at present.

Britain's position as a world power also required -- in its opinion -- the development of its own nuclear deterrent. The British justified the astronomical expenditures required by such a program on the grounds that the UK could best contribute to its own security and that of NATO by having an independent nuclear capability. An equal, if not more important motivation, however, was the British belief that possession of their own nuclear deterrent would augment their national prestige and strengthen their hand in their dealings with the US. Prime Minister Macmillan himself said quite frankly (during a television interview, February 23, 1958) that having the H-bomb gave the UK "a better position in the world and one as a great power." And he added that possession of the bomb had had a great influence on US policy "and made them pay greater regard to our point of view."

Another, and perhaps the most important, characteristic of Britain's attitude toward NATO is the emphasis placed on the special relationship with the US within the alliance. The closeness of the UK tie with the US gives Britain a special role in the formulation of NATO strategy and policies. The British are understandably concerned to maintain their favored position in the alliance and have shown displeasure at the attempts of any of its other members to displace them.

Consequently, the UK takes a dim view of de Gaulle's efforts to convert the Anglo-American partnership into "tripartism" and to claim for France a role in the formulation of global political and military policies. In view of the British insistence that the alliance be maintained as it is currently organized, they have in the past expressed a willingness to listen to de Gaulle's demands for a larger voice in policy planning in order to avoid an even more serious threat to NATO.

As both France and Germany strive to win a greater voice in the councils of the Western alliance, the UK will be more than ever concerned to make sure that the policy of interdependence with the United States --

Declassified in Part - Sanitized Copy Approved for Release 2014/01/15 : CIA-RDP79R01012A014700050017-8

Declassified in Part - Sanitized Copy Approved for Release 2014/01/15 : CIA-RDP79R01012A014700050017-8

refurbished in the 1957 meetings between President Eisenhower and Prime Minister Macmillan -- works and that British opinions are listened to by the US. Above all, the British public requires periodic evidence that the UK is not being displaced by any other country, e.g., Germany, as the US's major partner in the alliance.

II. IMPLICATIONS FOR BRITAIN OF DIVISIVE TENDENCIES IN ALLIANCE

The implications of the threat to the unity of the alliance created by the trend toward the development of an independent "European" bloc are of profound concern to UK policymakers.

A. Implications of French Demands

The conversion of the Anglo-American partnership at the apex of the NATO policymaking structure into a "tripartite" US-UK-French directorate could be accomplished -- if at all -- only at the expense of Britain. The United Kingdom therefore is opposed to a genuinely larger voice for France in the formulation of major world policies. It has been suggested, moreover, that Britain objects to France's developing its own nuclear weapons because French membership in the nuclear club would end the UK's last claim to be a great power. Certainly this feeling plays some part in British opposition to French possession of its own nuclear deterrent, but the objection of the UK is based primarily on its belief that the already appalling difficulties of formulating nuclear strategy and seeking agreement on preliminary disarmament procedures when there are only three nuclear powers would be immeasurably heightened by the enlargement of the nuclear club.

B. Implications of Franco-German Collaboration

The difficulties that the thriving Franco-German friendship has already caused the UK in its diplomatic dealings could be considerably complicated by the further evolution of this collaboration into an independent "third force." The growing intimacy between the governments of Chancellor Adenauer and President de Gaulle has caused resentment in the UK and given rise to apprehensiveness about the increasing isolation of London from Bonn and Paris that has accompanied the new Franco-German "togetherness." Having worked hard in the early 1950's to bring Germany and France together, the UK now suspects that it may have done its work too well.

Disagreeing with the contentions of both Adenauer and de Gaulle that European integration, rather than the reduction of East-West tensions, should be given top priority in Western planning, many of the British have been irritated by what they consider Franco-German opposition to UK efforts to bring about summit talks. The British believe that Adenauer's intransigence on the questions of German reunification and negotiations with the Soviet Union has imposed undesirable restraints on the efforts of the other Western powers to develop new approaches to the problems of East-West relations.

Declassified in Part - Sanitized Copy Approved for Release 2014/01/15 : CIA-RDP79R01012A014700050017-8

Declassified in Part - Sanitized Copy Approved for Release 2014/01/15 : CIA-RDP79R01012A014700050017-8

It has been suggested by some observers that continued Franco-German "obstruction" of UK efforts to negotiate a reduction of tensions with the Soviet Union might conceivably lead Britain to lean more than it has in the past in the direction of concluding, on its own, some kind of "limitation of forces" agreement in Central Europe with the USSR. The British have explained the concept of "limitation of forces," put forward in the Anglo-Soviet communiqué of March 3, 1959, following Macmillan's visit to Moscow, as meaning either fixing the total of forces and armaments without regard to nationality, or their reduction to agreed ceilings without regard to nationality, on some basis of parity. They point out that it would not involve the withdrawal of any particular forces or the exclusion of nuclear weapons. The UK maintains that this is not a proposal for "disengagement," which it takes to mean a separation of the main land forces of the East and West by the establishment of an area that is demilitarized, denuclearized, or occupied by indigenous forces alone. The British agree that the creation of such a neutral belt invites rather than avoids substantial risks of war.

C. Implications of Movement Toward European Economic Integration

The continuing movement of the Continental powers toward economic and, presumably ultimately, political integration -- most recently manifested by the coming into force last January of the European Economic Community (EEC) -- has left the UK on the sidelines. Britain's influence in Europe is declining, and the British have not yet completed adjusting their policies or their attitudes to that fact. Unless the UK is able to negotiate some kind of overall trading agreement with the EEC, British trade will inevitably suffer from the measures taken by the Common Market countries to reduce trade barriers among themselves.

So far, the trade impact of the first steps taken by the EEC members has been mitigated by the successful conclusion of the UK-French quota agreement. That will provide a 12- to 18-month breathing spell for the reconsideration of Common Market problems. But the issue will come up again, and Britain, as a non-member of the EEC, will be faced again with the threat of trade discrimination.

Having failed in late 1958 to associate itself with the EEC by means of the Free Trade Area (FTA) scheme, and still believing that the FTA concept provided the best solution for the problems of European economic unity, the UK has taken steps to participate in setting up a free trade area of the so-called Outer Seven nations -- itself, Sweden, Denmark, Norway, Austria, Switzerland, and Portugal. Representatives of those nations, who held a ministerial meeting in Stockholm, July 20-21, 1959, have recommended to their governments the establishment of such an association in time for the first tariff reduction to take place on July 1, 1960. The British view the new scheme not only as a means of redressing the economic disadvantages of their non-participation in the EEC but also as a means of facilitating the negotiation of an overall trading agreement

Declassified in Part - Sanitized Copy Approved for Release 2014/01/15 : CIA-RDP79R01012A014700050017-8

Declassified in Part - Sanitized Copy Approved for Release 2014/01/15 : CIA-RDP79R01012A014700050017-8

with the EEC. Moreover, they believe the new arrangement will help them to maintain a political balance in Europe.

III. BRITISH ALTERNATIVES IN FACE OF DIVISIVE TRENDS IN ALLIANCE

Confronted with the threats to the unity of the Western alliance, the United Kingdom has several alternatives: it can join the Continent, it can try to break up the integration movement, it can go into isolation, or it can rely on even closer links with the US.

A. Joining the Continent

The UK has shown increasing irritation and concern at the trend toward the development of an independent "European" bloc, but it has steadily refused to join, lead, or create any "third force." That refusal must be viewed against the background of Britain's traditional policies toward the Continent. The UK's long history of standing apart from Europe has induced in the British an insularity and cultural aloofness that have persisted despite two World Wars and that make it exceedingly difficult for them to accept the idea of becoming a part of a larger European community. Although in the postwar period Britain has undertaken unprecedented links with the Continent -- in becoming a member of NATO, WEU, and OEEC -- it displayed by these very actions its traditional reluctance to participate in supranational organizations and its preference for institutions that can be directly controlled by member nations and whose commitments are limited and precise.

The current official British attitude toward European integration was best described most recently last February 12, when the UK Paymaster-General, Reginald Maudling, told the House of Commons that although Britain was "by tradition, strategic interest, culture, and everything else ... part of Europe," the British had "interests, duties, ties, and obligations which stretch far beyond Europe." He emphasized that Britain could "not contemplate any system of working with Europe which was at the expense of ... [its] ties with the Commonwealth." And he concluded: "We must understand that there is no general public support in this country for the idea of political federation with Europe." That view will most likely continue to describe the UK attitude toward integration.

B. Breaking Up the Integration Movement

The UK, having a long and successful history of maintaining the balance of power, has been accused by champions of the "European" idea of trying to break up the movement toward economic and political integration. The British have denied that their plan for a "grand design" -- first proposed by Selwyn Lloyd in 1956 -- which was supposedly intended to reconcile the concept of a united Europe and the idea of Europe as a part of the Atlantic community, was really designed to sabotage integration. They deny also that such was their intention in proposing

Declassified in Part - Sanitized Copy Approved for Release 2014/01/15 : CIA-RDP79R01012A014700050017-8

Declassified in Part - Sanitized Copy Approved for Release 2014/01/15 : CIA-RDP79R01012A014700050017-8

the Free Trade Area. Although ample precedents exist for such a strategy, it seems doubtful -- the London Economist has called it "politically unthinkable" -- that the UK will try to break up the Continental movement today. At the same time, Britain may be expected to continue its participation in the formation of a free trade area of the Outer Seven in the hope of countering some of the economic effects of the Common Market.

C. Isolation

Although the idea of turning to some form of isolation has sounded attractive to a few Britons over the years, this alternative appeals to practically no one in the United Kingdom today. Retirement from NATO, abandonment of Britain's role in world affairs, and the creation in the British Isles of an extreme form of welfare state -- these alternatives hold no attraction for the great majority of Britons, who are far more pleased to agree with Macmillan that the UK is still an influence around the world and still has a great role to play.

D. Relying on Even Closer Ties With the US

Rejecting the above alternatives, the United Kingdom can concentrate on achieving even closer links with the US. The UK is convinced that its security derives from its partnership in the Atlantic alliance, and it is determined to remain a firm partner under the doctrine of interdependence. The Anglo-American partnership is popular with the British and recognized as indispensable by the British leaders. The US-UK tie remains a political asset in British politics, a fact recognized by both the Conservatives and the Laborites. In view of these factors, seeking an even greater degree of collaboration with its American partner seems the most likely course for the United Kingdom.

State -- FD, Wash., D.C.

Declassified in Part - Sanitized Copy Approved for Release 2014/01/15 : CIA-RDP79R01012A014700050017-8